

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

COLUMBIA, SOUTH CAROLINA
[Hearing held in Lexington, SC]

HEARING #10786

June 13, 2005

6:30 P.M.

DOCKET NO. 2006-92-W/S: *Application of Carolina Water Service, Incorporated for Adjustment of Rates and Charges for the Provision of Water and Sewer Service.*

HEARING BEFORE: Randy MITCHELL, CHAIRMAN, G. O'Neal HAMILTON, VICE CHAIRMAN; and COMMISSIONERS David A. Wright, Elizabeth B. "Lib" Fleming, John E. "Butch" HOWARD, Mignon L. CLYBURN, and C. Robert MOSELEY.
Legal Advisor to Commission: Joseph Melchers, Esq.

CHIEF CLERK/ADMINISTRATOR: Charles L.A. Terreni

DEPUTY CLERK: Jocelyn G. Boyd, Esq.

CHIEF LEGAL ADVISOR: Joseph Melchers., Esq.

STAFF: James B. Spearman, Philip Riley, and Patti Sands Esq., Hearing Room Assistants.

APPLICANTS: Carolina Water Service, John S. Hoefer

REPRESENTATIVES: C. Leslie Hammonds, Shannon Hudson and Nanette S. Edwards, Representing the OFFICE OF REGULATORY STAFF.

6:30 NIGHT HEARING: Lexington Municipal Conference Center, 111 Maiden Lane, Lexington, South Carolina 29072.

TRANSCRIPT OF TESTIMONY AND PROCEEDINGS

VOLUME 3

1 THE COURT: We're going to get
2 started tonight with our hearing. First
3 I want to thank and are glad to have the
4 ones that are here. I know it's a rainy
5 evening, so we're glad to have you here.
6 For anyone that's new to any of these
7 hearings, this is the South Carolina
8 Public Service Commission.

9 And I want to start out by
10 introducing the Commissioners. To my far
11 left Butch Howard and then we have Dave
12 Wright, Bob Moseley, and to my far right
13 Lib Fleming and Mignon Clyburn and O'Neal
14 Hamilton next to me. I'm Randy Mitchell,
15 the Chairman of the Public Service
16 Commission. And to my immediate left
17 here we have Joseph Melchers who is the
18 attorney for the night hearing. And
19 Joseph, at this time, if you would, go
20 into the details of the hearing and why
21 we're here and that purpose.

22 MR. MELCHERS: I certainly will.
23 Thank you, Mr. Chairman. This hearing is
24 being held in Docket No. 2006-92-WS
25 regarding the application of Carolina
26 Water Service for adjustments and rates

1 and charges to water and sewer service.
2 It is being held at the Lexington
3 Municipal Center, Lexington Municipal
4 Complex, 111 Maiden Lane, Lexington,
5 South Carolina, 29072.

6 I would like to introduce various
7 parties who are here tonight. The
8 chairman has already introduced the
9 Commission. Members of the Commission
10 staff are here, as well. And if you
11 would raise your hands. Also present is
12 the Office of Regulatory Staff and their
13 Executive Director, Duke Scott. Thank
14 you, and your staff.

15 And as well, we have representatives
16 from Carolina Water Service here this
17 evening and their attorney, John Hoefer.
18 John, if you would raise your hand. And
19 the Carolina Water Service folks.
20 Thanks. Thanks very much.

21 Let me ask this. We appear to have
22 a lot of folks who are here involved with
23 the presentation of the hearing. I
24 believe we may only have one person here
25 from the public. And I'm going to ask

1 that gentleman right now if he has an
2 interest in testifying tonight.

3 VOICE: No, thank you.

4 MR. MELCHERS: Okay. Is there
5 anyone else who is here tonight who is
6 here to comment on the application of
7 Carolina Water Service?

8 Okay. Mr. Chairman, I could
9 continue to go through our script, but at
10 this point I don't see much sense in it.

11 THE COURT: I understand. I think
12 we all and all the other people over
13 here, we're all educated to what you
14 might say. And we will be hearing from
15 you again real soon, I think, in another
16 night or so. So I don't think there is
17 anything to add. I think since we did
18 want to start promptly on time, and a
19 notice was sent out to the customers, we
20 want to recognize that as a fact. And
21 certainly if anyone would like to say
22 anything we would certainly leave it open
23 at this time and make any remarks,
24 whatsoever. Do we have any comments
25 from the Company or ORS? I'll tell you

1 this is pretty unusual.

2 COMMISSIONER WRIGHT: Just very
3 quickly, and for the members of the
4 public that are here, they may want to
5 ask questions of the staff or the
6 representatives of the company that are
7 here tonight.

8 THE COURT: Right. And if you
9 certainly so desire to make any statement
10 we certainly are now saying that, and the
11 representatives at this table to my far
12 right who are representatives of the
13 company and ORS, and just for your
14 information, ORS was created as a new
15 agency by the State Government under 175
16 who actually represent the public and
17 represent the interests of the company in
18 hearings such as this. And they are
19 your State Agency, they have taken the
20 place of the old consumer advocate. So
21 if you have any questions you would like
22 to ask them after the hearing, you
23 certainly feel free to come forward and
24 ask them at this table. Do we have any
25 commissioners that would like to add

1 anything to the hearing?

2 MR. MELCHERS: Mr. Chairman, if I
3 might, I just realized that the person
4 everybody thinks is a member of the
5 public is an employee of Carolina Water
6 Service. And everybody in the room
7 probably knows, this, but the location
8 for Thursday's night hearing has been
9 changed. The school called and informed
10 us that they are having renovations. So
11 it's been changed to Oakwood Baptist
12 Church at 3520 Mineral Springs Road,
13 which is very near the original site.

14 THE COURT: And that's at 6:30, I
15 believe, is that right?

16 MR. MELCHERS: 6:30 on Thursday.
17 Mr. Chairman, the continuation of the
18 hearing for this case will be held
19 starting on July 20th at 10:30 at the
20 office of the PSC located at 101
21 Executive Center Drive, Columbia, South
22 Carolina, 29211 at 10:30.

23 THE COURT: Anything else anyone
24 would like to add at this time? At this
25 time we're going to close this hearing,

1 and we will look forward to seeing you on
2 Thursday night.
3 (The hearing adjourned at 6:52 PM.)
4

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON) CERTIFICATE

BE IT KNOWN THAT I TOOK THE FOREGOING
PUBLIC SERVICE COMMISSION HEARING;

THAT I WAS THEN AND THERE A NOTARY PUBLIC IN
AND FOR THE STATE OF SOUTH CAROLINA-AT-LARGE;

THE FOREGOING TRANSCRIPT OF 7 TYPEWRITTEN PAGES
REPRESENTS A TRUE, ACCURATE AND COMPLETE TRANSCRIPTION OF THE
TESTIMONY SO GIVEN AT THE TIME AND PLACE AFORESAID TO THE
BEST OF MY SKILL AND ABILITY;

THAT I AM NOT RELATED TO NOR AN EMPLOYEE OF ANY OF THE PARTIES HERETO, NOR A RELATIVE OR EMPLOYEE OF ANY ATTORNEY OR COUNSEL EMPLOYED BY THE PARTIES HERETO, NOR INTERESTED IN THE OUTCOME OF THIS ACTION.

WITNESS MY HAND AND SEAL THIS 3RD DAY OF JULY,
2006.

SARA L. QUATTLEBAUM
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES JULY 12, 2012